

~~CONFIDENTIAL~~

C O P Y

5 December 1949

COMMO DIVISION

ORDER NO. 12

Throughout any government agency, all offices or employees which may directly or indirectly influence the expenditure of government funds for contractual services, equipment, or supplies, are potentially subject to criticism if there is the slightest possibility of favoritism in the granting of contracts.

In order to insure against any situation arising which might provide cause for criticism of this nature, any employee who owns stock in the smaller companies which deal with CIA should either find employment elsewhere or dispose of such stock or other financial interest, if he is in a position to influence either the policies of the company or the purchases of this agency. It should be obvious that the above is not applicable to ownership of small amounts of stock in large industrial corporations such as General Motors, General Electric, American Telephone & Telegraph, etc.

Communications Division personnel will not, unless specifically directed in each instance, have any dealings with contractors or contractors' representatives who are doing or may do business with CIA. Under no circumstances will Communications Division personnel make commitments on behalf of the organization, verbally or otherwise, to such contractors.

Any individual not a regular procurement officer whose work results in his having knowledge of the equipment and material requirements of CIA must not indicate or divulge such requirements to any contractors or contractors' representatives. The possession of such information would put the contractor in an advantageous position and, needless to say, would make the CIA employee subject to criticism.

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Chief, Communications Division

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3. The preparation of purchase requisitions, specifications and supporting documents are matters requiring sober judgment and extreme care to insure that the ultimate mission of this Agency is achieved within the framework of normal Federal procurement regulations whenever possible and that, whenever these methods will not suffice, adequate justification documents are made a matter of record for the protection of the personnel and offices concerned. Responsible persons along the chain of command handling such matters shall scrutinize each requisition with the above facts in mind.

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cc: All Engr. Sec. Units
Chief, Commo
Chief, PSD/SSS

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